

HOUSE BILL 2505
By Harmon

AN ACT to amend Tennessee Code Annotated, Title 12,
Chapter 3, Part 10, relative to county purchases.

WHEREAS, current state law requires counties to award bids to the lowest bidder in those instances where good or services are required to be bid; and

WHEREAS, competitive bidding helps ensure that counties and their citizens receive the best value for purchases made; and

WHEREAS, counties regularly purchase and lease vehicles, machinery and other equipment that requires on-going servicing and maintenance; and

WHEREAS, some purchases required through competitive bidding from distant bidders may be counterproductive and result in a county being required to spend significant additional monies for transportation, fuel, manpower and related expenses in order to obtain servicing at dealerships and service providers located some distance from such county; and

WHEREAS, such expenses quickly add up to mitigate any and all savings originally realized through the competitive bidding process itself; and

WHEREAS, counties require controlled flexibility in bidding to provide the maximum value to citizens while protecting the integrity and fairness of the bidding process; now, therefore,

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 12, Chapter 3, Part 10, is amended by adding the following language as a new section:

Section 12-3-1011.

(a) Notwithstanding any other provision of law, a county required to purchase, lease, or lease-purchase tangible personal property on the basis of competitive bidding

may, if such tangible personal property requires continued post-purchase or post-leasing servicing or maintenance, select a bidder within two percent (2%) of a low bidder whose nearest service or maintenance location is more than ten (10) miles from the nearest border of such county.

(b) For the purposes of this section, "continued post-purchase or post-leasing servicing or maintenance" means servicing or maintenance required on an annual or more frequent basis.

SECTION 2. This act shall take effect upon becoming a law, the public welfare requiring it.